

<i>SERFF Tracking Number:</i>	<i>ALSX-125590045</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Allstate Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>R19746</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Reinsurance Rate Charge Filing/R19746</i>		

Filing at a Glance

Company: Allstate Insurance Company

Product Name: Homeowners

TOI: 04.0 Homeowners

Sub-TOI: 04.0000 Homeowners Sub-TOI
Combinations

Filing Type: Rate

SERFF Tr Num: ALSX-125590045

SERFF Status: Closed

Co Tr Num: R19746

Co Status:

Author: SPI AllState

Date Submitted: 04/01/2008

State: Arkansas

State Tr Num: EFT \$100

State Status: Fees verified and
received

Reviewer(s): Becky Harrington,
Betty Montesi, Brittany Yielding

Disposition Date: 04/16/2008

Disposition Status: Filed

Effective Date Requested (New): 08/25/2008

Effective Date Requested (Renewal): 10/09/2008

Effective Date (New): 08/25/2008

Effective Date (Renewal):
10/09/2008

State Filing Description:

Not an overall rate change.

General Information

Project Name: Reinsurance Rate Charge Filing

Project Number: R19746

Reference Organization:

Reference Title:

Filing Status Changed: 04/16/2008

State Status Changed: 04/09/2008

Corresponding Filing Tracking Number:

Filing Description:

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

With this filing, information is provided to support the revision of the distinct charge to cover the net cost of reinsurance in Allstate Insurance Company for the Owners, Renters, and Condominium programs. The net cost of reinsurance is equal to the reinsurance premium paid less expected reinsurance recoveries under the contract.

Allstate's revised reinsurance cost will be reflected by revising the reinsurance rate adjustment factor in the rate

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<i>Company Tracking Number:</i>	<i>R19746</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Reinsurance Rate Charge Filing/R19746</i>		

calculation for the Owners, Renters, and Condominium programs. The revised reinsurance rate adjustment factor will apply to the calculation of the reinsurance charge for all policies and will therefore have the same effect as a reinsurance base rate change. For the Renters and Condominium programs, with consideration given to the cost to implement and maintain this charge, the reinsurance rate adjustment factor will be set to zero and will apply to the calculation of the reinsurance charge for all policies. This revision will have the same effect as removing the reinsurance charge.

Allstate will evaluate reinsurance costs periodically; preserving the rating structure for the Renters and Condominium programs will enable Allstate to monitor and update the reinsurance rate adjustment factor in the future as appropriate.

The overall impact of changes set forth in this filing are as follows: for the Owners program, the impact is -0.60%, for the Renters program, the impact is -0.96%, and for the Condominium program, the impact is -0.41%. The proposed change to the Reinsurance Rate Adjustment Factor for the Owners program is -80.9%, which represents the impact to the distinct charge to cover the net cost of reinsurance in Allstate Insurance Company for the Owners program.

The terms of the applicable 2008 Reinsurance contract are summarized below.

2008 REINSURANCE CONTRACT SUMMARY:

Allstate has a Reinsurance Broker Intermediary Contract with Benfield Inc., which encompasses the marketing and placement of our catastrophe reinsurance programs.

Allstate has again purchased countrywide catastrophe aggregate excess of loss reinsurance agreements to mitigate our exposure to catastrophic losses. One agreement, purchased last year, was 80% placed for a two-year term, effective 06/01/07 to 05/31/09. A portion of the 80% placement has been rewritten under a new two-year agreement, effective 06/01/08 to 05/31/10. This rewritten portion represents 32.5% of the excess of loss layer. The remaining 47.5% will remain intact until 05/31/09. Another new agreement was 15% placed for a two-year term, effective 06/01/08 to 05/31/10, and replaces the expiring one-year agreement that provided coverage from 06/01/07 to 05/31/08. Together the catastrophe aggregate excess reinsurance agreements will apply to Allstate and Encompass brand personal lines auto and property policies nationwide (excluding Florida), providing coverage for the term 06/01/08 to 05/31/09 of 95% of the first \$2 billion in excess of \$2 billion of retained losses. The two new agreements cover losses from storms named or numbered by the National Weather Service, fire following earthquakes, and California wildfires, subject to the

<i>SERFF Tracking Number:</i>	<i>ALSX-125590045</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Company Tracking Number:</i>	<i>R19746</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Reinsurance Rate Charge Filing/R19746</i>		

terms, conditions, and limitations set forth in these agreements. The agreement effective 6/01/07 will continue to cover losses from storms named or numbered by the National Weather Service, earthquakes, and fire following earthquakes, subject to the terms, conditions, and limitations set forth in the agreement.

Please note that in filing R17474 submitted 7/26/2006, which introduced the additional charge for the net cost of reinsurance, the charge was intended for and was implemented across all homeowners forms. However, with filing R17474, the Deluxe Plus Homeowners rule pages were inadvertently excluded. Thus, in this filing, we are including the appropriately updated Deluxe Plus Homeowners rule pages including the appropriate Rate Adjustment Factor.

Company and Contact

Filing Contact Information

Carrie Deppe, Assistant State Filings Manager cdepp@allstate.com
 2775 Sanders Road (847) 402-2774 [Phone]
 Northbrook, IL 60062 (847) 402-9757[FAX]

Filing Company Information

Allstate Insurance Company	CoCode: 19232	State of Domicile: Illinois
2775 Sanders Road	Group Code: 8	Company Type: Property and Casualty
Suite A5		
Northbrook, IL 60062	Group Name: Allstate	State ID Number:
(847) 402-5000 ext. [Phone]	FEIN Number: 36-0719665	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	Independent rate filing
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Allstate Insurance Company	\$100.00	04/01/2008	19182412

<i>SERFF Tracking Number:</i>	<i>ALSX-125590045</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Allstate Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>R19746</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	04/16/2008	04/16/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	04/09/2008	04/09/2008	SPI AllState	04/15/2008	04/15/2008

<i>SERFF Tracking Number:</i>	<i>ALSX-125590045</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Allstate Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
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<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Reinsurance Rate Charge Filing/R19746</i>		

Disposition

Disposition Date: 04/16/2008

Effective Date (New): 08/25/2008

Effective Date (Renewal): 10/09/2008

Status: Filed

Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Allstate Insurance Company	-0.600%	\$-87,988	61,429	\$14,674,863	%	%	%

SERFF Tracking Number:	ALSX-125590045	State:	Arkansas
Filing Company:	Allstate Insurance Company	State Tracking Number:	EFT \$100
Company Tracking Number:	R19746		
TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Homeowners		
Project Name/Number:	Reinsurance Rate Charge Filing/R19746		

Item Type	Item Name	Item Status	Public Access
Supporting Document	Form RF-1 NAIC Loss Cost Data Entry Document--All P&C Lines	Filed	Yes
Supporting Document	AR - NAIC P&C TRANSMITTAL DOCUMENT, RateRuleSchedule, AR - HOMEOWNERS ABSTRACT FORM H 1, StateFilingForms02 - HPCS, OtherActSupport01	Filed	Yes
Supporting Document	ResponseToDOIObjections01	Filed	Yes
Rate	CheckingListR19746	Filed	Yes
Rate	ManualR19746	Filed	Yes

SERFF Tracking Number: ALSX-125590045 State: Arkansas
Filing Company: Allstate Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: R19746
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Reinsurance Rate Charge Filing/R19746

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 04/09/2008
Submitted Date 04/09/2008
Respond By Date
Dear Carrie Deppe,

This will acknowledge receipt of the captioned filing.

Objection 1

- AR - NAIC P&C TRANSMITTAL DOCUMENT, RateRuleSchedule, AR - HOMEOWNERS ABSTRACT FORM H 1, StateFilingForms02 - HPCS, OtherActSupport01 (Supporting Document)

Comment: Provide an exhibit showing the commissions, taxes, and profit ratio development for the owners adjustment factor.

Objection 2

No Objections

Comment: Explain why the owners forms will continue to have a reinsurance charge when it is being removed from other forms.

Please feel free to contact me if you have questions.

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,
Becky Harrington

Response Letter

Response Letter Status Submitted to State
Response Letter Date 04/15/2008
Submitted Date 04/15/2008

Dear Becky Harrington,

Comments:

SERFF Tracking Number: ALSX-125590045 State: Arkansas
Filing Company: Allstate Insurance Company State Tracking Number: EFT \$100
Company Tracking Number: R19746
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners
Project Name/Number: Reinsurance Rate Charge Filing/R19746

Please see our attached response.

Response 1

Comments: See attached.

Related Objection 1

Applies To:

- AR - NAIC P&C TRANSMITTAL DOCUMENT, RateRuleSchedule, AR - HOMEOWNERS ABSTRACT FORM H 1, StateFilingForms02 - HPCS, OtherActSupport01 (Supporting Document)

Comment:

Provide an exhibit showing the commissions, taxes, and profit ratio development for the owners adjustment factor.

Related Objection 2

Comment:

Explain why the owners forms will continue to have a reinsurance charge when it is being removed from other forms.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: ResponseToDOIObjections01

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,

Carrie Deppe

Sincerely,
SPI AllState

SERFF Tracking Number: ALSX-125590045

State: Arkansas

Filing Company: Allstate Insurance Company

State Tracking Number: EFT \$100

Company Tracking Number: R19746

TOI: 04.0 Homeowners

Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: Reinsurance Rate Charge Filing/R19746

Rate Information

Rate data applies to filing.

Filing Method:

File and Use

Rate Change Type:

Decrease

Overall Percentage of Last Rate Revision:

0.000%

Effective Date of Last Rate Revision:

08/27/2007

Filing Method of Last Filing:

File and Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
Allstate Insurance Company	%	-0.600%	\$-87,988	61,429	\$14,674,863	%	%

SERFF Tracking Number:	ALSX-125590045	State:	Arkansas
Filing Company:	Allstate Insurance Company	State Tracking Number:	EFT \$100
Company Tracking Number:	R19746		
TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Homeowners		
Project Name/Number:	Reinsurance Rate Charge Filing/R19746		

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	CheckingListR19746	R19746	Replacement	AR-PC-07-025241 R19746.PDF
Filed	ManualR19746	R19746	Replacement	AR-PC-07-025241 R19746.PDF

CHECKING LIST

Printing dates are shown on each page to facilitate identification of different editions, but have no direct connection with the effective date of the page.

HOMEOWNERS:

REINSURANCE CHAGE PAGE

Enclosed: Page RLF-1 dated 9-1-20008
Page RRLF-1 dated 9-1-20008
Page RCLF-1 dated 9-1-20008

Withdrawn: Page RLF-1 dated 8-1-20006
Page RRLF-1 dated 8-1-20006
Page RCLF-1 dated 8-1-20006

RATE PAGE CALCULATION OPTIONS

Enclosed: Page HORC-2 dated 9-1-2008

Withdrawn: Page HORC-2 dated 7-2-2007

RATE PAGE CALCULATION OPTIONS - Renters & Condos

Enclosed: Page HORRC-1 dated 9-1-2008
Page HOCRC-1 dated 9-1-2008

Withdrawn: Page HORRC-1 dated 4-1-2007
Page HOCRC-1 dated 4-1-2007

DELUXE PLUS:

RATE PAGE CALCULATION OPTIONS

Enclosed: Page DPRC-2 dated 9-1-2008

Withdrawn: Page DPRC-2 dated 5-13-2002

BASE REINSURANCE CHARGE:

Rates Per 1000 AIY's	
Owners	0.054

REINSURANCE LIMITS FACTORS

COVERAGE A/ COVERAGE C LIMIT	FACTOR	COVERAGE A/ COVERAGE C LIMIT	FACTOR
6,000	6	67,000	67
10,000	10	68,000	68
11,000	11	69,000	69
12,000	12	70,000	70
13,000	13	71,000	71
14,000	14	72,000	72
15,000	15	73,000	73
16,000	16	74,000	74
17,000	17	75,000	75
18,000	18	80,000	80
19,000	19	85,000	85
20,000	20	90,000	90
25,000	25	95,000	95
30,000	30	100,000	100
35,000	35	110,000	110
40,000	40	120,000	120
45,000	45	130,000	130
50,000	50	140,000	140
55,000	55	150,000	150
56,000	56	160,000	160
57,000	57	170,000	170
58,000	58	180,000	180
59,000	59	190,000	190
60,000	60	200,000	200
61,000	61	225,000	225
62,000	62	250,000	250
63,000	63	275,000	275
64,000	64	300,000	300
65,000	65	325,000	325
66,000	66	Each Additional 1,000	1

RENTERS**ARKANSAS
REINSURANCE CHARGE PAGE****BASE REINSURANCE CHARGE:**

Rates Per 1000 AIY's	
Renters	0.074

REINSURANCE LIMITS FACTORS

COVERAGE A/ COVERAGE C LIMIT	FACTOR	COVERAGE A/ COVERAGE C LIMIT	FACTOR
6,000	6	67,000	67
10,000	10	68,000	68
11,000	11	69,000	69
12,000	12	70,000	70
13,000	13	71,000	71
14,000	14	72,000	72
15,000	15	73,000	73
16,000	16	74,000	74
17,000	17	75,000	75
18,000	18	80,000	80
19,000	19	85,000	85
20,000	20	90,000	90
25,000	25	95,000	95
30,000	30	100,000	100
35,000	35	110,000	110
40,000	40	120,000	120
45,000	45	130,000	130
50,000	50	140,000	140
55,000	55	150,000	150
56,000	56	160,000	160
57,000	57	170,000	170
58,000	58	180,000	180
59,000	59	190,000	190
60,000	60	200,000	200
61,000	61	225,000	225
62,000	62	250,000	250
63,000	63	275,000	275
64,000	64	300,000	300
65,000	65	325,000	325
66,000	66	Each Additional 1,000	1

BASE REINSURANCE CHARGE:

Rates Per 1000 AIY's	
Condominium	0.034

REINSURANCE LIMITS FACTORS

COVERAGE A/ COVERAGE C LIMIT	FACTOR	COVERAGE A/ COVERAGE C LIMIT	FACTOR
6,000	6	67,000	67
10,000	10	68,000	68
11,000	11	69,000	69
12,000	12	70,000	70
13,000	13	71,000	71
14,000	14	72,000	72
15,000	15	73,000	73
16,000	16	74,000	74
17,000	17	75,000	75
18,000	18	80,000	80
19,000	19	85,000	85
20,000	20	90,000	90
25,000	25	95,000	95
30,000	30	100,000	100
35,000	35	110,000	110
40,000	40	120,000	120
45,000	45	130,000	130
50,000	50	140,000	140
55,000	55	150,000	150
56,000	56	160,000	160
57,000	57	170,000	170
58,000	58	180,000	180
59,000	59	190,000	190
60,000	60	200,000	200
61,000	61	225,000	225
62,000	62	250,000	250
63,000	63	275,000	275
64,000	64	300,000	300
65,000	65	325,000	325
66,000	66	Each Additional 1,000	1

12. Home and Auto Discount - Multiply by .85 (Rule 17)
13. The Good Hands People ® Discount - Multiply by .95 (Rule 22)
14. Apply the appropriate deductible factor, subject to any applicable maximum dollar credit.

<u>Deductible Option</u>	<u>Deductible Relativity</u>	<u>Maximum Deductible Credit *</u>
\$ 50	1.44	-
100	1.25	-
250	Base	-
250/500 WIND/HAIL	.94	\$100
250/1000 WIND/HAIL	.92	140
500	.87	250
500/1000 WIND/HAIL	.84	480
750	.80	550
1000	.75	800
1500	.70	1050
2000	.65	1200
3000	.60	1350
5000	.53	1550

* relative to the \$250 deductible premium

15. \$250 Theft Deductible - Multiply the \$50 or \$100 Deductible premium by .95
16. Add the Fixed Expense Policy Fee shown on the Supplementary Rate Page
17. For 3/4 Family Dwelling add amount shown on Supplementary Rate Pages
18. Add the appropriate Reinsurance Charge. Determine the charge as follows:
 - a. Determine the appropriate Base Reinsurance Charge from the Reinsurance Charge Pages.
 - b. Multiply the appropriate charge by a Reinsurance Rate Adjustment Factor of 0.172 (round to three decimals).
 - c. Multiply by the appropriate Coverage A Reinsurance Limit Factor as shown in the Reinsurance Charge Pages (penny round).
19. Add the additional premium applicable for increased limits or additional coverage and subtract any applicable credit for reduced coverage shown on the Supplementary Rate Pages. Where applicable, use the same deductible amount as Coverage A.

Rounding:

Unless otherwise noted, all premium calculations shall be rounded to the nearest dollar. A premium of \$0.50 or more shall be rounded to the next whole dollar.

The Reinsurance Charge as well as the final premium shall be rounded to the nearest penny. Amounts of \$0.005 or more shall be rounded to the next whole penny.

The following discounts, credits and surcharges should be applied in the order listed.

1. Multiply the appropriate premium from the rate pages by a Rate Adjustment Factor of 1.402.
(Note: Premiums for policies with Coverage C limits less than \$6,000 may be developed by subtracting \$1 per \$1,000 from the \$6,000 premium and then applying the Rate Adjustment Factor.)
2. \$50, \$500 or \$1,000 Deductible - Multiply \$100 Deductible premium by 1.111, .778 or .700
3. \$250 Theft Deductible - Multiply \$50 or \$100 Deductible premium by .95
4. Personal Property Reimbursement Provision - Multiply by 1.25 (Rule 4.A.)
5. Protective Device Discount - Multiply by the appropriate factor (Rule 15)
6. 55 and Retired Discount - Multiply by .75 (Rule 16)
7. Home and Auto Discount - Multiply by .90 (Rule 17)
8. The Good Hands People ® Discount - Multiply by .95 (Rule 18)
9. Rating Group Classification: Multiply by the appropriate factor (Rule 33)
10. Add the Fixed Expense Policy Fee shown on the Supplementary Rate Page
11. Add the appropriate Reinsurance Charge. Determine the charge as follows:
 - a. Determine the appropriate Base Reinsurance Charge from the Reinsurance Charge Pages. Multiply the appropriate charge by a Reinsurance Rate Adjustment Factor of 0.000 (round to three decimals).
 - b. Multiply by the appropriate Coverage C Reinsurance Limit Factor as shown in the Reinsurance Charge Pages (penny round).
12. Add the additional premium applicable for increased limits or additional coverage and subtract any applicable credit for reduced coverage.

CONDOMINIUM

ARKANSAS RATE PAGE CALCULATION OPTIONS

Rounding:

Unless otherwise noted, all premium calculations shall be rounded to the nearest dollar. A premium of \$0.50 or more shall be rounded to the next whole dollar.

The Reinsurance Charge as well as the final premium shall be rounded to the nearest penny. Amounts of \$0.005 or more shall be rounded to the next whole penny.

The following discounts, credits and surcharges should be applied in the order listed.

1. Multiply the appropriate premium from the rate pages by a Rate Adjustment Factor of 1.553.
(Note: Premiums for policies with Coverage C limits less than \$6,000 may be developed by subtracting \$1 per \$1,000 from the \$6,000 premium and then applying the Rate Adjustment Factor.)
2. Condominium - Not Rented - Multiply by .76
Rented 1-8 Weeks - Multiply by .90
Rented 9 or More Weeks - Multiply by 1.12
3. \$50, \$500 or \$1,000 Deductible - Multiply \$100 Deductible premium by 1.111, .778 or .700
4. \$250 Theft Deductible - Multiply \$50 or \$100 Deductible premium by .95
5. Home Buyer Discount - Multiply by the appropriate factor (Rule 28)
6. Personal Property Reimbursement Provision - Multiply by 1.25 (Rule 4.A.)
7. Protective Device Discount - Multiply by the appropriate factor (Rule 15)
8. 55 and Retired Discount - Multiply by .75 (Rule 16)
9. Home and Auto Discount - Multiply by .95 (Rule 17)
10. The Good Hands People ® Discount - Multiply by .95 (Rule 18)
11. Rating Group Classification: Multiply by the appropriate factor (Rule 34)
12. Add the Fixed Expense Policy Fee shown on the Supplementary Rate Page
13. Add the appropriate Reinsurance Charge. Determine the charge as follows:
 - a. Determine the appropriate Base Reinsurance Charge from the Reinsurance Charge Pages. Multiply the appropriate charge by a Reinsurance Rate Adjustment Factor of 0.000 (round to three decimals).
 - b. Multiply by the appropriate Coverage C Reinsurance Limit Factor as shown in the Reinsurance Charge Pages (penny round).
14. Add the additional premium applicable for increased limits or additional coverage and subtract any applicable credit for reduced coverage.

11. Apply the appropriate deductible factor, subject to any applicable maximum dollar credit.

<u>Deductible Option</u>	<u>Deductible Relativity</u>	<u>Maximum Deductible Credit *</u>
100	1.25	-
250	Base	-
250/500 WIND/HAIL	.94	\$100
250/1000 WIND/HAIL	.92	140
500	.85	250
500/1000 WIND/HAIL	.84	480
750	.75	550
1000	.70	800
1500	.65	1050
2000	.61	1200
3000	.56	1350
5000	.49	1550

* relative to the \$250 deductible premium

12. Add the Fixed Expense Policy Fee shown on the Supplementary Rate Page

13. Add the appropriate Reinsurance Charge. Determine the charge as follows:

- Determine the appropriate Base Reinsurance Charge from the Reinsurance Charge Pages.
- Multiply the appropriate charge by a Reinsurance Rate Adjustment Factor of 0.172 (round to three decimals).
- Multiply by the appropriate Coverage A Reinsurance Limit Factor as shown in the Reinsurance Charge Pages (penny round).

14. Add the additional premium applicable for increased limits or additional coverage. Where applicable, use the same deductible amount as Coverage A.

Note: All premium calculations shall be rounded to the nearest dollar. A premium of \$0.50 or more shall be rounded to the next higher whole dollar.

SERFF Tracking Number:	ALSX-125590045	State:	Arkansas
Filing Company:	Allstate Insurance Company	State Tracking Number:	EFT \$100
Company Tracking Number:	R19746		
TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Homeowners		
Project Name/Number:	Reinsurance Rate Charge Filing/R19746		

Supporting Document Schedules

Satisfied -Name:	Form RF-1 NAIC Loss Cost Data Entry Document--All P&C Lines	Review Status: Filed	04/16/2008
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Comments:

Attachment:

StateFilingForms04- Loss Cost Data.PDF

Satisfied -Name:	AR - NAIC P&C TRANSMITTAL DOCUMENT, RateRuleSchedule, AR - HOMEOWNERS ABSTRACT FORM H 1, StateFilingForms02 - HPCS, OtherActSupport01	Review Status: Filed	04/16/2008
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Comments:

Attachments:

AR - NAIC P&C TRANSMITTAL DOCUMENT.PDF
RateRuleSchedule.PDF
AR - HOMEOWNERS ABSTRACT FORM H 1.PDF
StateFilingForms02 - HPCS.PDF
OtherActSupport01.PDF

Satisfied -Name:	ResponseToDOIObjections01	Review Status: Filed	04/16/2008
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Comments:

Attachment:

ResponseToDOIObjections01.PDF

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	R19746
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2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	
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	Company Name		Company NAIC Number
3.	A.	Allstate Insurance Company	B. 19232

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A.	Homeowners	B. Owners, Renters, Condominium

5.

(A) COVERAGE (See Instructions)	(B) Indicated Reinsurance Change	(C) Requested Reinsurance Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
TOTAL OVERALL EFFECT							

6.

5 Year History

Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
	N/A			N/A			N/A

7.

Expense Constants	Selected Provisions
A. Other Acquisition	4.7%
B. General Expense	3.6%
C. Taxes, License & Fees	3.0%
D. Underwriting Profit	10.5%
E. Commissions	12.5%
F. TOTAL	34.3%

8. _____ Apply Lost Cost Factors to Future filings? (Y or N)

9. _____ Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____

10. _____ Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____

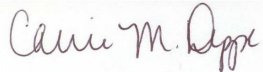
Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
g. SERFF Filing #:		
h. Subject Codes		

3. Group Name	Allstate				Group NAIC #	008
4. Company Name(s)	Domicile	NAIC #	FEIN #	State #		
Allstate Insurance Company	IL	19232	36-0719665			

5. Company Tracking Number	R19746
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Carrie M. Deppe 2775 Sanders Road, Suite A5 Northbrook IL 60062	Assistant State Filings Manager	800-366-2958 Ext. 22774	847-402-9757	cdepp@allstate.com
7. Signature of authorized filer				
8. Please print name of authorized filer	Carrie M. Deppe			

Filing Information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	04.0 Homeowners	
10. Sub-Type of Insurance (Sub-TOI)	04.0000 Homeowners Sub-TOI Combinations	
11. State Specific Product code(s) (if applicable) [See State Specific Requirements]		
12. Company Program Title (Marketing Title)	Homeowners	
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)	
14. Effective Date(s) Requested	New: 08/25/2008	Renewal: 10/09/2008
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
16. Reference Organization (if applicable)	Not applicable	
17. Reference Organization # & Title	Not applicable	
18. Company's Date of Filing	April 1, 2008	
19. Status of filing in domicile	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved	

Property & Casualty Transmittal Document

20.	This filing transmittal is part of Company Tracking #	R19746
21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]	

With this filing, information is provided to support the revision of the distinct charge to cover the net cost of reinsurance in Allstate Insurance Company for the Owners, Renters, and Condominium programs. The net cost of reinsurance is equal to the reinsurance premium paid less expected reinsurance recoveries under the contract.

Allstate's revised reinsurance cost will be reflected by revising the reinsurance rate adjustment factor in the rate calculation for the Owners, Renters, and Condominium programs. The revised reinsurance rate adjustment factor will apply to the calculation of the reinsurance charge for all policies and will therefore have the same effect as a reinsurance base rate change. For the Renters and Condominium programs, with consideration given to the cost to implement and maintain this charge, the reinsurance rate adjustment factor will be set to zero and will apply to the calculation of the reinsurance charge for all policies. This revision will have the same effect as removing the reinsurance charge.

Allstate will evaluate reinsurance costs periodically; preserving the rating structure for the Renters and Condominium programs will enable Allstate to monitor and update the reinsurance rate adjustment factor in the future as appropriate.

The overall impact of changes set forth in this filing are as follows: for the Owners program, the impact is -0.60%, for the Renters program, the impact is -0.96%, and for the Condominium program, the impact is -0.41%. The proposed change to the Reinsurance Rate Adjustment Factor for the Owners program is -80.9%, which represents the impact to the distinct charge to cover the net cost of reinsurance in Allstate Insurance Company for the Owners program.

The terms of the applicable 2008 Reinsurance contract are summarized below.

2008 REINSURANCE CONTRACT SUMMARY:

Allstate has a Reinsurance Broker Intermediary Contract with Benfield Inc., which encompasses the marketing and placement of our catastrophe reinsurance programs.

Allstate has again purchased countrywide catastrophe aggregate excess of loss reinsurance agreements to mitigate our exposure to catastrophic losses. One agreement, purchased last year, was 80% placed for a two-year term, effective 06/01/07 to 05/31/09. A portion of the 80% placement has been rewritten under a new two-year agreement, effective 06/01/08 to 05/31/10. This rewritten portion represents 32.5% of the excess of loss layer. The remaining 47.5% will remain intact until 05/31/09. Another new agreement was 15% placed for a two-year term, effective 06/01/08 to 05/31/10, and replaces the expiring one-year agreement that provided coverage from 06/01/07 to 05/31/08. Together the catastrophe aggregate excess reinsurance agreements will apply to Allstate and Encompass brand personal lines auto and property policies nationwide (excluding Florida), providing coverage for the term 06/01/08 to 05/31/09 of 95% of the first \$2 billion in excess of \$2 billion of retained losses. The two new agreements cover losses from storms named or numbered by the National Weather Service, fire following earthquakes, and California wildfires, subject to the terms, conditions, and limitations set forth in these agreements. The agreement effective 6/01/07 will continue to cover losses from storms named or numbered by the National Weather Service, earthquakes, and fire following earthquakes, subject to the terms, conditions, and limitations set forth in the agreement.

Please note that in filing R17474 submitted 7/26/2006, which introduced the additional charge for the net cost of reinsurance, the charge was intended for and was implemented across all homeowners forms. However, with filing R17474, the Deluxe Plus Homeowners rule pages were inadvertently excluded. Thus, in this filing, we are including the appropriately updated Deluxe Plus Homeowners rule pages including the appropriate Rate Adjustment Factor.

22.	Filing Fees (Filer must provide check # and fee amount if applicable.)	
	[If a state requires you to show how you calculated your filing fees, place that calculation below]	
	Check #:	Not applicable. Sent EFT.
	Amount:	\$100.00

Independent rate filing

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

PROPERTY & CASUALTY RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1. This filing transmittal is part of Company Tracking # R19746

2. This filing corresponds to form filing number N/A
(Company tracking number of form filing, if applicable)

☐ Rate Increase ☒ Rate Decrease ☐ Rate Neutral (0%)

3. Filing Method (Prior Approval, File & Use, Flex Band, etc.) File and Use

4a. Rate Change by Company (As Proposed)

Company Name	Overall % Indicated Change (when Applicable)	Overall % Rate Impact	Written Premium Change for this program	# of policyholders affected for this program	Written premium for this program	Maximum %Change (where required)	Minimum %Change (where required)
Allstate Insurance Company	N/A	Owners: -0.60% Renter: -0.96% Condo: -0.41%	Owners: (\$85,919) Renter: (\$1,071) Condo: (\$998)	Owners: 58,177 Renter: 1,239 Condo: 2,013	Owners: 14,319,752 Renter: 111,592 Condo: 243,519		

4b. Rate Change by Company (As Accepted) For State Use Only

Company Name	Overall % Indicated Change (when Applicable)	Overall % Rate Impact	Written Premium Change for this program	# of policyholders affected for this program	Written premium for this program	Maximum %Change (where required)	Minimum %Change (where required)

5. Overall Rate Information (Complete for Multiple Company Filings only)

	COMPANY USE	STATE USE
5a. Overall percentage rate indication(when applicable)		
5b. Overall percentage rate impact for this filing		
5c. Effect of Rate Filing – Written premium change for this program		
5d. Effect of Rate Filing - Number of policyholders affected		

6. Overall percentage of last rate revision N/A

7. Effective Date of last rate revision 8/27/2007

8. Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.) File & Use

9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01	<u>HORC-2: Owners Rate Page Calculation Options</u>	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02	<u>DPRC-2: Deluxe Plus Rate Page Calculation Options</u>	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03	<u>HORRC-1: Renters Rate Page Calculation Options</u>	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
04	<u>HOCRC-1: Condominium Rate Page Calculation Options</u>	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
05	<u>RLF-1: Homeowners Reinsurance Charge Page</u>	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

Effective March 1, 2007

06	RRLF-1: Renters Reinsurance Charge Page	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
07	RCLF-1: Condo Reinsurance Charge Page	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

ARKANSAS INSURANCE DEPARTMENT

FORM H-1 HOMEOWNERS ABSTRACT

INSTRUCTIONS: All questions must be answered. If the answer is "none" or "not applicable", so state. If all questions are not answered, the filing will not be accepted for review by the Department. Use a separate abstract for each company if filing for a group. Subsequent homeowners rate/rule submissions that do not alter the information contained herein need not include this form.

Company Name	Allstate Insurance Company
NAIC # (including group #)	008-19232

1. If you have had an insurance to value campaign during the experience filing period, describe the campaign and estimate its impact.
Not applicable

2. If you use a cost estimator (or some similar method) in order to make sure that dwellings (or contents) are insured at their value, state when this program was started in Arkansas and estimate its impact.
The company began using the Boeckh index in 1979. However, its impact cannot be estimated.

3. If you require a minimum relationship between the amount of insurance to be written and the replacement value of the dwelling (contents) in order to purchase insurance, describe the procedures that are used.
The company requires 100% insurance to value.

4. If you use an Inflation Guard form or similar type of coverage, describe the coverage(s) and estimate the impact.
A Boeckh index is employed for the area. Its impact is included in estimating changes for amount of insurance at approximately 2.5%

5. Specify the percentage given for credit or discounts for the following:

- | | | |
|---|-----|---|
| a. Fire Extinguisher | 5 | % |
| b. Burglar Alarm | 5 | % |
| c. Smoke Alarm | 5 | % |
| d. Insured who has both homeowners and auto with your company | 15 | % |
| e. Deadbolt Locks | 5 | % |
| f. Window or Door Locks | N/A | % |
| g. Other (specify) | 10 | % |

Complete Central Burglar Alarm

Complete Central Fire Alarm

Central Home Sprinkler System

10 %
10

6. Are there any areas in the State of Arkansas In which your company will not write homeowners insurance? If so, state the areas and explain reason for not writing.
No new business is written in this company.

7. Specify the form(s) utilized in writing homeowners insurance. Indicate the Arkansas premium volume for each form.

Form
Homeowners

Premium Volume
\$14,319,752

8. Do you write homeowner risks which have aluminium, steel or vinyl siding? ☒ Yes ☐ No

9. Is there a surcharge on risks with wood heat? No
If yes, state the surcharge N/A
Does the surcharge apply to conventional fire places? N/A
If yes, state the surcharge N/A

THE INFORMATION PROVIDED IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



Signature

Carrie M. Deppe

Printed Name

Assistant State Filings Manager

Title

847-402-2774 Ext. 22774

Telephone Number

cdepp@allstate.com

Email address

NAIC Number: 19232 Company Name: Allstate Insurance Company Contact Person: Carrie Deppe Telephone No.: 847-402-2774 Email Address: cdeppe@allstate.com Effective Date: 8/25/2008	Homeowners Premium Comparision Survey Form FORM HPCS - last modified August, 2005 USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE BLANK										Submit to: Arkansas Insurance Department 1200 West Third Street Little Rock, AR 72201-1904 Telephone: 501-371-2800 Email as an attachment to insurance.pnc@arkansas.gov You may also attach to a SERFF filing or submit on a cdr disk									
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Survey Form for HO3 (Homeowners) - Use \$500 Flat Deductible (Risk of direct physical loss for dwelling and other structures; named perils for personal property, RC on dwelling, ACV on personal property, liab and med pay for others incl)																			
Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$198.80	\$231.80	\$201.80	\$234.80	\$319.80	\$370.80	\$361.80	\$434.80	\$361.80	\$434.80	\$276.80	\$321.80	\$252.80	\$293.80	\$249.80	\$300.80	\$303.80	\$353.80
	\$120,000	\$276.20	\$321.20	\$280.20	\$326.20	\$444.20	\$515.20	\$502.20	\$603.20	\$502.20	\$603.20	\$385.20	\$447.20	\$351.20	\$407.20	\$347.20	\$417.20	\$430.20	\$500.20
	\$160,000	\$366.60	\$427.60	\$372.60	\$433.60	\$590.60	\$685.60	\$667.60	\$802.60	\$667.60	\$802.60	\$512.60	\$594.60	\$465.60	\$542.60	\$461.60	\$554.60	\$583.60	\$679.60
6	\$80,000	\$218.80	\$256.80	\$220.80	\$260.80	\$349.80	\$411.80	\$434.80	\$488.80	\$434.80	\$488.80	\$302.80	\$356.80	\$275.80	\$324.80	\$300.80	\$337.80	\$332.80	\$391.80
	\$120,000	\$303.20	\$357.20	\$306.20	\$361.20	\$486.20	\$572.20	\$603.20	\$679.20	\$603.20	\$679.20	\$420.20	\$495.20	\$384.20	\$452.20	\$417.20	\$470.20	\$471.20	\$554.20
	\$160,000	\$403.60	\$474.60	\$407.60	\$479.60	\$646.60	\$759.60	\$802.60	\$902.60	\$802.60	\$902.60	\$559.60	\$659.60	\$510.60	\$600.60	\$554.60	\$625.60	\$639.60	\$751.60
9	\$80,000	\$670.80	\$785.80	\$678.80	\$795.80	\$1,070.80	\$1,254.80	\$1,271.80	\$1,544.80	\$1,271.80	\$1,544.80	\$929.80	\$1,088.80	\$847.80	\$991.80	\$881.80	\$1,071.80	\$1,020.80	\$1,195.80
	\$120,000	\$932.20	\$1,093.20	\$943.20	\$1,106.20	\$1,490.20	\$1,756.20	\$1,784.20	\$2,220.20	\$1,784.20	\$2,220.20	\$1,292.20	\$1,514.20	\$1,178.20	\$1,380.20	\$1,226.20	\$1,491.20	\$1,444.20	\$1,696.20
	\$160,000	\$1,239.60	\$1,453.60	\$1,255.60	\$1,470.60	\$2,027.60	\$2,462.60	\$2,455.60	\$3,034.60	\$2,455.60	\$3,034.60	\$1,725.60	\$2,065.60	\$1,566.60	\$1,859.60	\$1,630.60	\$2,028.60	\$2,002.60	\$2,389.60

Survey Form for HO4 (Renters) - Use \$500 Flat Deductible (Named perils for personal property, actual cash value for loss, liability and medical payments for others included)																			
Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$6,000	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56	\$45.56
	\$15,000	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89	\$80.89
	\$25,000	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15	\$111.15
6	\$6,000	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56	\$52.56
	\$15,000	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89	\$93.89
	\$25,000	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15	\$130.15
9	\$6,000	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56	\$62.56
	\$15,000	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89	\$110.89
	\$25,000	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15	\$154.15

Survey Form for DP-2 (Dwelling/Fire) - Use \$500 Flat Deductible (Named perils for dwelling and personal property; replacement cost for dwelling, actual cash value for personal property, no liability coverage)																			
Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$120,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$160,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6	\$80,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$120,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$160,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	\$80,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$120,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$160,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:										EARTHQUAKE INSURANCE									
HO3 and HO4 only										IMPORTANT, homeowners insurance does NOT automatically cover losses from earthquakes. Ask your agent about this coverage									
Fire Extinguisher					0 %					Deadbolt Lock					0 %				
Burglar Alarm					0 %					Window Locks					0 %				
Smoke Alarm					0 %					\$1,000 Deductible					0 %				
Other (specify)																			
										0 %					WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?				
Maximum Credit Allowed										0 %					Zone				
															Brick				
															Frame				
															Highest Risk				
															Lowest Risk				

**ALLSTATE INSURANCE GROUP
OWNERS, RENTERS, AND CONDOMINIUM
ARKANSAS**

With this filing, Allstate is revising the distinct charge to cover the net cost of reinsurance in Arkansas. The net cost of reinsurance is equal to the reinsurance premium paid, for all applicable contracts, less expected reinsurance recoveries under these contracts, and represents the incremental cost to Allstate of the contracts. This calculation is consistent with the Provision for Reinsurance discussed in section 3.7 of Actuarial Standards of Practice No. 29, *Expense Provisions in Property/Casualty Ratemaking*.

The net cost figures have been allocated to the state and line level for Allstate Insurance Group, allocation to the company level was not available. The reinsurance premium, net of the expected Benfield Inc.'s premium adjustment provision, has been distributed to the individual states and lines in proportion to their expected loss recovery. Allstate has relied on expected loss recoveries provided by reinsurance intermediary Benfield Inc. For purposes of calculating the net cost of reinsurance, these expected losses have been modified, by Benfield Inc., to reflect current adjustments. The aforementioned adjustments are consistent with those included in previous filings outlining revisions to the distinct charge to cover the net cost of reinsurance in Arkansas.

To determine expected loss recoveries, the adjustments were made to gross modeled losses, prior to application of the terms of the contract. The inclusion of the adjustment increases the expected recoveries under the contract, resulting in a lower net cost of reinsurance.

**ALLSTATE INSURANCE GROUP
OWNERS, RENTERS, AND CONDOMINIUM
ARKANSAS**

**DETERMINATION OF THE REINSURANCE RATE ADJUSTMENT FACTOR
EXPLANATORY MEMORANDUM**

Pages 3, 4, and 5 outline the development of the required reinsurance rate adjustment factor for the Owners, Renters, and Condominium programs, respectively. An explanation, with references to supporting exhibit, is provided below.

1. Reinsurance Premium:
Reinsurance premium paid, net of expected Benfield Inc. premium adjustment provision.
2. Loss Savings Due to Reinsurance:
Provided loss recoveries under the reinsurance contracts, including Allstate adjustments as mentioned on Page 1.
3. Net Cost of Reinsurance: $\{(1) - (2)\}$
Provided loss recoveries are subtracted from the reinsurance premium to determine the net cost of reinsurance.
4. Commissions, Taxes, and Profit Ratio:
Expense ratio for commissions, taxes, and profit.
5. Net Cost of Reinsurance Including Commissions, Taxes, and Profit: $\{(3) / [1-(4)]\}$
6. Adjusted AIY* x Current Reinsurance Base Charge:
This amount represents the reinsurance charge collected, based on expected AIYs, if the reinsurance Rate Adjustment Factor was set to 1.000.
7. Required Reinsurance Rate Adjustment Factor: $\{(5) / (6)\}$
The reinsurance rate adjustment factor represents the amount by which the reinsurance base charge is to be adjusted, in order to collect the net cost of reinsurance including commissions, taxes, and profit determined in row 5.

* 1 AIY = One Amount of Insurance Year
= \$1,000 of Coverage In Force for One Year

**ALLSTATE INSURANCE GROUP
OWNERS
ARKANSAS
DETERMINATION OF THE REINSURANCE RATE ADJUSTMENT FACTOR**

	<u>2008</u>
1. Reinsurance Premium	\$78,757
2. Loss Savings Due to Reinsurance	\$8,399
3. Net Cost of Reinsurance: (1) - (2)	\$70,358
4. Commissions, Taxes and Profit Ratio	25.9%
5. Net Cost of Reinsurance Including Commissions, Taxes, and Profit: (3) / [1 - (4)]	\$94,950
6. Adjusted AIYs x Current Reinsurance Base Charge	\$552,252
7. Required Reinsurance Rate Adjustment Factor (5) / (6)	0.172

	<u>Current</u>	<u>Indicated & Proposed</u>	<u>Percent Change</u>
Proposed Change in Reinsurance Rate Adjustment Factor	0.900	0.172	-80.9%

**ALLSTATE INSURANCE GROUP
RENTERS
ARKANSAS
DETERMINATION OF THE REINSURANCE RATE ADJUSTMENT FACTOR**

	<u>2008</u>
1. Reinsurance Premium	\$665
2. Loss Savings Due to Reinsurance	\$63
3. Net Cost of Reinsurance: (1) - (2)	\$602
4. Commissions, Taxes and Profit Ratio	25.9%
5. Net Cost of Reinsurance Including Commissions, Taxes, and Profit: (3) / [1 - (4)]	\$812
6. Adjusted AIYs x Current Reinsurance Base Charge	\$8,201
7. Required Reinsurance Rate Adjustment Factor (5) / (6)	0.099

	<u>Current</u>	<u>Indicated</u>	<u>Proposed</u>
Proposed Change in Reinsurance Rate Adjustment Factor	1.000	0.099	0.000

**ALLSTATE INSURANCE GROUP
CONDOMINIUMS
ARKANSAS
DETERMINATION OF THE REINSURANCE RATE ADJUSTMENT FACTOR**

	<u>2008</u>
1. Reinsurance Premium	\$137
2. Loss Savings Due to Reinsurance	\$13
3. Net Cost of Reinsurance: (1) - (2)	\$124
4. Commissions, Taxes and Profit Ratio	25.9%
5. Net Cost of Reinsurance Including Commissions, Taxes, and Profit: (3) / [1 - (4)]	\$167
6. Adjusted AIYs x Current Reinsurance Base Charge	\$1,036
7. Required Reinsurance Rate Adjustment Factor (5) / (6)	0.161

	<u>Current</u>	<u>Indicated</u>	<u>Proposed</u>
Proposed Change in Reinsurance Rate Adjustment Factor	1.000	0.161	0.000

**ALLSTATE INSURANCE COMPANY
OWNERS, RENTERS, AND CONDOMINIUM
ARKANSAS**

Response to letter dated April 9, 2008 regarding Filing #R19746

- 1. Provide an exhibit showing the commissions, taxes, and profit ratio development for the owners adjustment factor.**

Please see Exhibit I.

- 2. Explain why the owners forms will continue to have a reinsurance charge when it is being removed from the other forms.**

As displayed in the filing, the distinct charge to cover the net cost of reinsurance for all lines (Owners, Renters, Condominium) has decreased since 2007. Because of the magnitude of the net cost of reinsurance for the Renters and Condominium Lines (\$602 and \$124, respectively, as shown on Pages 4 and 5 in the filing), the benefit of implementing and maintaining these charges is outweighed by the systems costs incurred by Allstate to do so. Therefore, the rate adjustment factor applied for these lines will be 0.000. However, the net cost of reinsurance for the Owners Line (\$70,358 as shown on Page 3 in the filing) is large enough to justify the systems implementation and maintenance costs. The rate adjustment factor for the Owners Line is detailed in the filing.

Allstate will continue to evaluate reinsurance costs in the future; if the net cost of reinsurance for any line exceeds the systems implementation and maintenance costs in the future, adjustments to the rate adjustment factor will be made as appropriate.

**ALLSTATE INSURANCE GROUP
OWNERS, RENTERS, CONDOMINIUM
ARKANSAS**

**COMMISSIONS, TAXES, AND PROFIT RATIO USED IN THE
DETERMINATION OF THE AVERAGE INDICATED REINSURANCE CHARGE**

	Provision in Rate
Commission and Brokerage	12.5%
Taxes *	2.9%
Underwriting Profit	<u>10.5%</u>
Commissions, Taxes, and Profit Ratio	25.9%

* State Taxes - Does not include Federal Income Tax